

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1307 - SB 1387

March 26, 2017

SUMMARY OF BILL: Requires the Department of Health (DOH) to establish, promote, and maintain a lupus education and awareness program with an emphasis on at-risk communities to raise public awareness, educate consumers, and educate and train health professionals, human services providers, and other audiences.

Requires the DOH to conduct a needs assessment identifying certain criteria that will be used to develop and maintain a directory of lupus-related services and healthcare providers with specialization in services to diagnose and treat lupus.

Requires the DOH to establish a program to award grants to educate and train physicians, health professionals, and other service providers on the most current, accurate scientific and medical information on lupus diagnosis, treatment, and therapeutic decision-making, including medical best practices for detecting and treating the disease in special populations, risks and benefits of medications, and research advances.

Authorizes the DOH to accept gifts, grants, and donations from the federal government, foundations, organizations, medical schools, and other entities for fulfilling the obligations of the program and to seek any federal waiver that may be necessary to maximize funds from the federal government to implement the program.

Requires the DOH to develop and maintain a directory of lupus-related services and healthcare providers with specialization in services to diagnose and treat lupus and to disseminate the directory to all stakeholders, including individuals with lupus, families, representatives from voluntary organizations, health professionals, health plans, and state and local health agencies.

Requires the DOH to undertake activities, including implementing a statewide campaign, to raise public awareness about the symptoms of lupus, personal risk factors, and options for diagnosing and treating the disease with a particular focus on populations at elevated risk for lupus.

Creates in the State Treasury, the Lupus Education and Awareness Program Fund. Requires the DOH to annually report on this part to the Chairs of the Health and Welfare Committee of the Senate and the Health Committee of the House of Representatives.

ESTIMATED FISCAL IMPACT:

Increase State Revenue –

\$61,100/One-Time/Lupus Education and Awareness Program Fund

Exceeds \$345,200/Recurring/Lupus Education and Awareness Program Fund

Increase State Expenditures –

\$61,100/One-Time/General Fund

Exceeds \$345,200/Recurring/General Fund

\$61,100/One-Time/Lupus Education and Awareness Program Fund

Exceeds \$345,200/Recurring/Lupus Education and Awareness Program Fund

Assumptions:

- Based on information provided by the DOH, the Department cannot accommodate the provisions of the proposed legislation within existing resources. The DOH will need one Public Health Nursing Consultant 2 position and one Public Health Program Director 1 position to meet the requirements in the proposed legislation.
- The one-time increase in state expenditures associated with the additional positions is estimated to be \$11,100 (\$5,700 computer cost + \$5,400 office furniture).
- The recurring increase in state expenditures associated with the additional positions is estimated to be \$180,222 (\$127,600 + \$35,022 benefits + \$15,800 administrative cost + \$600 remote connection cost + \$1,200 supplies).
- The DOH will incur a one-time increase in state expenditures to contract with a third party to complete the needs assessment required in the proposed legislation estimated to be \$50,000.
- The recurring increase associated with implementing the statewide campaign is estimated to be \$65,000.
- It is estimated that at least \$100,000 will be provided annually in the form of grants for education of health professionals and for support of nonprofit voluntary health organizations with expertise in lupus in their efforts to increase public awareness and enhance health professional education and understanding of the symptoms and consequences of lupus and the populations most at risk.
- The total one-time increase in state expenditures is estimated to be \$61,100 (\$11,100 + \$50,000).
- The total recurring increase in state expenditures is estimated to exceed \$345,222 (\$180,222 + \$65,000 + \$100,000).
- It is assumed that money from the General Fund will be appropriated to the newly-created Lupus Education and Awareness Program Fund to administer the lupus and education awareness program created by this Act. For the purposes of this fiscal analysis, it is assumed that no federal funding or any funding from other sources will be available for the program.

IMPACT TO COMMERCE:

**Increase Business Revenue – \$50,000/One-Time
Exceeds \$165,000/Recurring**

**Increase Business Expenditures – Less than \$50,000/One-Time
Less than \$165,000/Recurring**


Increase Jobs – Not Significant

Assumptions:

- Third parties will realize one-time business revenue of \$50,000 for services provided for conducting a needs assessment associated with lupus, and recurring business revenue of at least \$165,000 (\$65,000 media campaign + \$100,000 grants) for creating a statewide campaign to educate the general public about lupus by utilizing print, radio, and television public service announcements, advertisements, posters, and other materials; and for grant funding to educate and train physicians, health professionals, and other service providers on the most current, accurate scientific and medical information on lupus diagnosis, treatment, and therapeutic decision-making, including medical best practices for detecting and treating the disease in special populations, risks and benefits of medications, and research advances.
- Any increase in business expenditures associated with services provided will be less than the increase in business revenue in order for the business to maintain solvent. For the purposes of this fiscal analysis, it is assumed that recurring business expenses will be less than \$165,000.
- The proposed legislation will not significantly impact jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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